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C O N F I D E N T I A L ASUNCION 000598

STPDTS

STATE FOR WHA/BSC MDRUCKER AND CCROFT

E.O. 12958: DECL: 12/31/2033

TAGS: PGOV PA

SUBJECT: SENATE TUG-OF-WAR OVER DUARTE'S SENATE SEAT

REF: A. ASUNCION 415 ¶B. ASUNCION 475

¶C. 07 ASUNCION 144

**1**D. 07 ASUNCION 613

¶E. 07 ASUNCION 636

\_f. 07 ASUNCION 739
\_fg. 07 ASUNCION 910

Classified By: A/DCM John Beed for reasons 1.4 (b) and (d).

- 11. (C) SUMMARY: Senate President Enrique Gonzalez Quintana swore former president and Colorado senator-elect Nicanor Duarte Frutos in as senator August 26 without quorum or Senate vote -- provoking outrage in the Senate. Hours later, Liberal Senate Vice President Oscar Denis Sanchez convened an emergency Senate session, and the quorum of senators voted to give Duarte's seat to substitute senator Colorado Jorge Cespedes and nullify Gonzalez' unilateral action. Gonzalez' decision to swear in Duarte as senator lends credence to claims that Duarte and National Union of Ethical Citizens (UNACE) leader Lino Oviedo struck a deal that released Oviedo from jail last fall in exchange for Oviedo's and UNACE's support for Duarte's plan to take office as senator. The Senate's deadlock over Duarte's future underscores that Paraguay's Congress is more interested in personal politics than substantive political reform. END SUMMARY.
- 12. (SBU) Senate President Enrique Gonzalez Quintana confirmed senator-elect Nicanor Duarte Frutos as senator August 26 without quorum or Senate vote -- provoking outrage in the Senate. After determining that he lacked a quorum or votes to confirm Duarte, Gonzalez unilaterally swore in Duarte in the presence of senators from his National Union of Ethical Citizens (UNACE) Party and the Colorado Party. Gonzalez then ordered the Senate chamber doors locked in order to prevent Duarte's opponents from convening an emergency session to overturn Gonzalez's decision. Gonzalez' decision to swear in Duarte provoked strong reaction from members of the Authentic Radical Liberal Party, Beloved Fatherland Party, and the dissident Colorado Vanguard Movement, which boycotted Senate sessions since July to block Duarte from taking his Senate seat (refs A and B).
- 13. (SBU) Hours later on August 26, Liberal Senate Vice President Oscar Denis Sanchez convened an emergency Senate session in the Chamber of Deputies, and the quorum of senators voted to give Duarte's seat to substitute senator Colorado Jorge Cespedes and nullify Gonzalez' unilateral action. Although the Senate did not address Gonzalez' conduct during its emergency session, it will likely debate whether to remove Gonzalez from the presidency during its regular session August 28.
- 14. (C) Gonzalez' decision to let Duarte take his Senate seat lends credence to claims that Duarte and UNACE leader Lino Oviedo struck a deal that released Oviedo from jail last fall in exchange for Oviedo's and UNACE's support for Duarte's plan to take office as senator (refs C-F). Gonzalez

justified his action by arguing that he acted in accordance with the decision of the Colorado-led National Elections Tribunal (TSJE) to permit Duarte to serve in the Senate. Following his swearing-in, Duarte defended Gonzalez and told about 300 supporters outside Congress, "I am a senator-elect, I am a senator ratified by the court. Constitutional balance has been restored." President Lugo, who initially favored allowing Duarte to take his Senate seat, vowed August 26 not to interfere in the Senate's internal affairs. However, late August 27, Lugo expressed frustration with Congress, and said he would consider calling a referendum on Congress if the legislative branch is unable to resolve its current conflict within the next few months.

15. (C) COMMENT: The Senate's deadlock over Duarte's future underscores that the Paraguay's Congress is more interested in personal politics than substantive political reform. It also reveals little Liberal Party loyalty to Lugo. UNACE, in keeping its end of a deal with President Duarte, appears to have overreached politically, and may have jeopardized its status as "kingmaker" in Congress. Most importantly, Lugo's posturing about the possibility of calling a referendum on Congress could be the first negative sign of his presidency. END COMMENT.

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